

Introduced by Senator Escutia

February 24, 2006

An act to add Section 12693.335 to the Insurance Code, and to add Article 7.5 (commencing with Section 1120) to Chapter 4 of Part 1 of Division 1 of the Unemployment Insurance Code, relating to health insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 1622, as introduced, Escutia. Healthy Families Program and Medi-Cal: employee eligibility.

Existing law provides for various health programs under which qualified low-income persons are provided health care services. These programs include the Medi-Cal program, which is administered by the State Department of Health Services, and the Healthy Families Program, which is administered by the Managed Risk Medical Insurance Board. Existing law also requires the Employment Development Department to administer the unemployment compensation system.

This bill would require the State Department of Health Services and the Managed Risk Medical Insurance Board to develop an informational document, referred to as the "Employee Notification of Eligibility for Healthy Families/Medi-Cal," containing certain information about the Healthy Families Program and the Medi-Cal program. The bill would require California employers to provide the notice to employees, and would also require the Employment Development Department to notify specified employers of the requirements relating to the Employee Notification of Eligibility for Healthy Families/Medi-Cal.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 12693.335 is added to the Insurance Code, to read:

12693.335. The board, in collaboration with the State Department of Health Services, shall develop an informational document, which may be referred to as the “Employee Notification of Eligibility for Healthy Families/Medi-Cal,” that California employers shall provide to their employees. The document shall contain all of the following:

(a) A notification to employees of the availability of health coverage for children through the Healthy Families Program and the Medi-Cal program.

(b) A description of program eligibility including, but not limited to, all of the following:

(1) Income eligibility criteria.

(2) A clarifying statement that declares individuals who receive an income may meet program eligibility requirements.

(3) A clarifying statement that declares individuals who do not receive income assistance may meet program eligibility requirements.

(c) A description of how to obtain additional information about the programs, as well as application materials and enrollment instructions for the programs.

(d) The document shall be in a form that is easily duplicated by employers and transmitted by the board to the Employment Development Department.

(e) The document shall be made available in both English and Spanish.

SEC. 2. Article 7.5 (commencing with Section 1120) is added to Chapter 4 of Part 1 of Division 1 of the Unemployment Insurance Code, to read:

Article 7.5. Healthy Families Program and Medi-Cal

1120. (a) An employer shall provide the Employee Notification of Eligibility for Healthy Families/Medi-Cal, as described in Section 12693.335 of the Insurance Code, to an employee hired on and after March 31, 2008, within 10 days from the date the employee was hired, or with the first itemized

1 wage statement furnished pursuant to Section 226 of the Labor
2 Code, whichever occurs first.

3 (b) An employer shall provide an Employee Notification of
4 Eligibility for Healthy Families/Medi-Cal to each person who is
5 employed by that employer prior to March 31, 2008, within 90
6 days after the date that the Managed Risk Medical Insurance
7 Board makes the document available on the Internet. However,
8 an employer shall not be required to provide the notice prior to
9 March 31, 2008.

10 1121. (a) The department shall identify industries,
11 professions, and companies whose wage and compensation levels
12 include a majority of employees potentially eligible for
13 children's health insurance through the Healthy Families
14 Program or Medi-Cal. The department shall notify those
15 identified employers who are registered with the department on
16 December 31, 2007, of the requirements of this article. This
17 notice may be provided in the department's "California
18 Employer" quarterly newsletter, or other means used by the
19 department to clearly, effectively, and concisely communicate
20 with all employers in a form that any reasonable business person
21 would know where to look for the information. The notice shall
22 include the following information:

23 (1) The Internet Web site where employers may obtain the
24 Employee Notification of Eligibility for Healthy
25 Families/Medi-Cal.

26 (2) The telephone number to call to obtain the Employee
27 Notification of Eligibility for Healthy Families/Medi-Cal.

28 (3) A statement that employers may not discontinue existing
29 health care coverage for their employees to take advantage of the
30 coverage offered under the Healthy Families Program and
31 Medi-Cal.

32 (b) The department shall notify the identified employers
33 described in subdivision (a) who register with the department
34 after December 31, 2007, of this article's requirements. This
35 notice shall provide the same information required under
36 paragraphs (1), (2), and (3) of subdivision (a).

37 (c) The department shall post the Employee Notification of
38 Eligibility for Healthy Families/Medi-Cal on the Internet in a
39 format that is easily downloaded in PDF format, text format, as
40 well as other appropriate formats.

1 1122. The department shall collaborate with the Managed
2 Risk Medical Insurance Board and the State Department of
3 Health Services to implement this article and the related
4 provisions of the Insurance Code relating to the Healthy Families
5 Program and Medi-Cal. The department may distribute
6 information on behalf of the board if both agencies determine it
7 is the most cost-effective method of distribution.